

Annual Governance Statement 2018/19

INTRODUCTION

1. This is Oxfordshire County Council's Annual Governance Statement for 2018/19. It provides:
 - An *opinion* on the Council's governance arrangements from the Council's senior managers and the leader of the Council
 - A review of the *effectiveness* of the Council's governance arrangements during 2018/19;
 - A *conclusion* in relation to the effectiveness
 - A review of the *action plan* from last year's statement
 - An *action plan for 2019/20*
 - An *annex* summarising our governance framework
2. The Statement will be published on the Council's website and will also form part of the Council's Statement of Accounts. The Annual Governance Statement is required by Regulation 6(1) (b) of the Accounts and Audit (England) Regulations 2015. This statement covers all services including the Fire & Rescue Service. However, the Fire & Rescue Service are required to produce a separate Statement of Assurance which will supplement this statement. A copy of the Fire and Rescue Service Annual Statement of Assurance for 2018/19 can also be found on our public website at: [LINK TO BE INSERTED INTO FINAL VERSION](#)

STATEMENT OF OPINION

It is our opinion that the Council's governance arrangements in 2018/19 were sound and provide a robust platform for achieving the Council's priorities and challenges in 2019/20.

SIGNATURES

Signed on behalf of Oxfordshire County Council:

..... Date Date

Yvonne Rees
Chief Executive

Lorna Baxter
Chief Finance Officer

..... Date Date

Councillor Ian Hudspeth
Leader of the Council

Nicholas Graham
Monitoring Officer

APRIL 2018

SIGNIFICANT GOVERNANCE ISSUES

Progress in 2018/19

3. This is a review of the progress during 2018/19 on the priorities for that year:

Actions that were planned for 2018/19	Original Timescale	Outcome
<p>Mental Health:</p> <p>Carry out the remaining governance actions identified in the follow-up audit (March 2018)</p>	March 2019	<p>Actions to improve the delivery of services to people who require support from a mental health perspective are ongoing, having made considerable progress. The difficulties identified in the shared delivery of services, and in the commissioning, quality and purchasing processes identified by the audit in 2016/2017 are being addressed as required through the Action Plan. Eight agreed management actions are fully implemented, the remaining four are on target for implementation by the end of September 2019.</p> <p>The mental health social work service is delivered through a section 75 partnership agreement with Oxford Health NHS Foundation Trust, with some shared commissioning and transactional work delivered from finance and commissioning teams within the County Council. In 2017, officers carried out a strategic review of the Section 75 arrangements to consider how service users' needs are best met and to ensure that our statutory duties are being delivered.</p> <p>Following the review, a decision was taken to move staff in the older adults' mental health service back into the County Council where they are now currently working as a separate team. This arrangement enables a single point of access for social care mental health ensuring social care is delivered for the whole population to a single set of standards, processes and procedures in line with the social work provision in the locality teams. The adults of working age mental health service is still provided by Oxford Health and will be governed by a variation to the section 75</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>agreement. A draft of that agreement has been produced but is not yet finalised as it is dependent on ongoing work: a detailed analysis of last year's spend, and options appraisal for future delivery within budget. The Council and Oxford Health are working closely together on this work to determine the future of Working Age Adults' service.</p>
<p>General Data Protection Regulations:</p> <p>Action plan for ensuring compliance with the incoming GDPRs – including policy review, organisational awareness.</p> <p>Action plan for reviewing and monitoring ongoing compliance</p>	<p>May 2018</p> <p>March 2019</p>	<p>Work started in 2017 to prepare for GDPR implementation, researching as much as we could by attending conferences, webinars, talking to other local authorities and keeping up to date with news from the Information Commissioners Office. The information gathered along with the ICO guidance - "Preparing for the General Data Protection Regulations (GDPR) 12 steps to take now" – was used to create the implementation plan.</p> <ul style="list-style-type: none"> • The main actions to ensure compliance were: • All relevant policies were revised • All Information Asset Registers were updated • A new privacy notice was created • A process for handling individual rights requests was created • The information security investigation process was revised, • A template was created for Data Privacy Impact Assessments (DPIA's) • The Information Management Risk Assessment (IMRA's) template was updated • Guidance created for privacy by design • Coordination of contacting of all providers and suppliers to ensure their GDPR compliance • All consent guidance was revised and updated • The data protection e-learning was re-

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>written, very strong completion rate achieved and annual re-testing for all users introduced for 2019/20.</p> <ul style="list-style-type: none"> • A GDPR toolkit was created for the intranet • 60 individual team briefings were done • 8 site surgeries were held • 8 briefings o providers were held • 4 briefings to schools • 4 briefings to transport providers • 2 stakeholder workshops to senior managers • Monthly intranet headlines, regular Yammer posts <p>Work did not stop on 25 May; the new regulations have increased staff awareness of data protection which has resulted in an increase in risk assessments and staff queries. Other changes such as the reporting period for information security breaches being reduced to 72 hours and the delivery period for subject access requests being reduced from 40 days to 30 days has placed a greater pressure on resource to deliver to the new deadlines. However, the increased awareness is positive for the council as it helps to ensure that we are complying with the requirements of the GDPR.</p>
<p>“Fit for the Future” Programme</p> <p>Implementation of the <i>Fit for the Future Programme</i> under sound project governance and to explore/feature governance as a key layer of the new Target Operating Model</p>	<p>July 2018 – decision making on preferred target operating model</p>	<p>The overall accountable body for the programme is CEDR (senior management meeting, ‘Chief Executive Direct Reports’).</p> <p>The governance of the Transformation Programme (no longer called Fit for the Future) has been established gradually during the second half of 2018/19 following</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
	<p>July 2018 – March 2019: implementation of the planned two-year delivery of the model</p>	<p>approval of the business case in September 2018. In terms of member governance, the Joint Audit & Governance and Performance Scrutiny (Transformation) Sub-Committee has been established and met for the first time on 21/1/19. The Transformation Cabinet Advisory Group has been established and met for the first time on 18/12/18.</p> <p>The officer governance arrangements for the programme have been put in place and follow the internationally recognised methodology known as ‘Managing Successful Programmes (MSP)’; and as new projects are established project teams are also established. The governance framework of the programme is based on an overarching transformation programme board and three thematic workstream groups. Deliberately the governance has been designed not to reflect our directorate structures and instead to encourage better ‘whole council’ management. There is cross organisational representation on the board and workstream groups and specific projects and activities have allocated senior accountable officers. The programme board and all three thematic workstreams have met and have mapped out the catalogue of projects and activities within their remit. Transformation related expenditure and savings are managed by the board, the section 151 officer is a member. From April a monthly update report is being published.</p> <p>The Transformation Programme Board met for the first time on 24/1/19 in order to begin to co-ordinate the overall programme of work and in particular to fulfil two important standard programme functions – as the Design Authority (ensuring changes are in line with the business case and the design principles that were set) and as the Benefits Realisation Board (ensuring the improvements and savings are made / delivered). Further programme and project</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>arrangements will be implemented when there is an identified need. Standard project and programme methodologies are being deployed, with the Programme Management Office ensuring consistency of practice and rigour.</p> <p>A quarterly programme review document will be published. The first version of this report reflected a slightly longer period of time (from November 2018 until end March 2019) and will be published on a quarterly basis thereafter. The document will be publicly available and will cover progress in terms of both service improvement, technology and savings</p>
<p>Corporate Security:</p> <p>Early appointment of a designated project lead to drive a planned series of activity to build and test the Council's corporate security.</p> <p>Delivery of the planned programme.</p>	<p>May 2018</p> <p>May 2018 – March 2019</p>	<p>Project in place led by Assistant Director (Facilities Management) to:</p> <ul style="list-style-type: none"> • Review the level of security requirements for each type of buildings we have i.e. corporate, children's centres, adult centres, museums, libraries, fire stations, depots etc. • Look into the different components linked to security for each type of building: <ul style="list-style-type: none"> ○ Infrastructure i.e. suitability of buildings to carry out current services, building layouts etc ○ CCTV and surveillance ○ Manned guarding ○ IT systems to support requirements ○ Staff training and awareness • Review all incidents (reported into the system and not) relating to H&S and security for the last 2-3 years so that we get an idea of type of issues/incidents we are dealing with • Link/align all of security requirements going forward with relevant OCC

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>security policy, Emergency Planning, Business Continuity Plans, Communication Plans etc</p> <ul style="list-style-type: none"> • Review and consolidate in one place the current different security provisions across OCC i.e. Facilities Management (FM) providing certain services to some buildings, Estates team carrying out keyholding, individual arrangements from historic key sites and request of manned guarding using their own budgets etc. In that way we can see the whole picture OCC wide and how we can bring everything together to be provided as a service from one focal point across all sites. • Procurement strategy in sourcing the best providers to fit security scope going forward • Explore any links with Health and Safety <p>A lead Officer (Senior Area Facilities Manager) has been tasked with this Corporate Security initiative and the review by site / Service has begun along with the engagement with Corporate Finance and Procurement teams.</p>
<p>Financial Management:</p> <p>Deliver a detailed refresh of the assurance framework to ensure its effectiveness; and to follow through the 'case for change' under the Fit for the Future Programme in respect of streamlining systems and processes.;</p>	<p>April 2018 – March 2019</p>	<p>In July -October 2018, the CIPFA Financial Management Toolkit was used to undertake a self-assessment of Financial Management across the council. This confirmed that Financial Management was adequate but from the feedback from respondents there were a number of areas highlighted for improvement.</p> <p>An action plan was established and was originally scheduled to be completed by the end of March 2019. The Financial Management improvement is now included as one of the workstreams under the Finance Review, part of the Transformation Programme, which is due to conclude on 31 May 2019.</p> <p>Extending the deadline and aligning the</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
		work within the overall Finance Review is enabling additional activity, looking at financial management structures and behaviours. The outcome of that work will be to strengthen the governance and framework that underpins Financial Management, and the principle of self service.
<p>Property:</p> <p>Deliver property compliance project to review, monitor and prioritise via Key Performance Indicators. And, particularly in the post-Carillion environment, this will include:</p> <ul style="list-style-type: none"> • a refresh, and strengthening, of systems for the assessment and tracking of health and safety risks across the Council's property and within schools • a refreshed approach to the effective use and management of the Council's properties 	<p>April 2018 – March 2019</p>	<p>Significant progress has been made in relation to achieving full statutory compliance across the corporate estate. Early last year audits to establish our compliance position post Carillion took place and identified substantial gaps (i.e. non-compliance). Compliance programmes were subsequently put in place to ensure full statutory compliance in these areas. A full set of compliance KPIs is in place covering all the main compliance areas.</p> <p>Much higher levels of statutory compliance have been achieved across the corporate estate, particularly in non-leased properties with some compliance areas at or close to 100% statutorily compliant. Several compliance programmes are still in place to bring the corporate estate up to full compliance (e.g. water hygiene risk assessments, electrical fixed wire safety and a Radon safety programme).</p> <p>In addition, work is also underway to ensure a robust management of an increasingly large number of remedial recommendations arising out of recent and historic risk assessments, safety certificates and surveys (all with target BAU dates between Jan and March 2019 to comply with end of April 2019 target date). A framework of remedial KPIs is being put in place to track progress in this area.</p> <p>Related activities have focused on the need to review governance, policy, procedure and process. For example, site manuals/logs, processes, policy and systems relating to the management of</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>significant compliance risk have been reviewed and updated. We have been introducing both the general compliance site manual and a fire safety site manual since February 2019: both are being introduced via training courses and introductory sessions and a number are already in use across the corporate estate (with similar plans for schools). We hope to complete the programme in the Summer of 2019. We have also started looking at the organisational structure in relation to management of compliance to provide a more robust operating model that will deliver and sustain compliance moving forward along with a more vigorous performance reporting framework in key compliance areas.</p> <p>To ensure that the council can discharge its health & safety responsibility in respect of property compliance there is also a need to re-establish capacity for effective monitoring and development of technical policy and practice across both the corporate and schools' estate. There is a proposal to re-establish the required resource within a newly formed Health & Safety team within FM.</p> <p>Closer working with the Schools health and safety team in relation to property health and safety compliance within the school's estate is now embedded. However, for a longer-term solution it is proposed that this is re-established and located within the FM team</p>
<p>External Reports</p> <p>Implement a robust and effective mechanism for the co-ordination and consideration of, and action plans for implementing, any governance issues arising from External Reports about the Council and its performance.</p>	<p>December 2018</p>	<p>A mechanism has been put in place whereby an identified point in Law & Governance is now the key contact point for co-ordinating and liaising with Directorates on external reports that are taking place or planned. Keeping a log of planned and reactive external reports will continue during 2019/20. The governance implications will be noted and tracked and referred to the monthly meetings of the Corporate Governance Assurance Group</p>

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>of key statutory officers.</p> <p>Progress reports will be made in-year to the Audit Working Group and Audit & Governance Committee, with reference to the action plans under each External Report.</p>
<p>Procurement:</p> <p>As part of the new Target Operating Model for the Council:</p> <ul style="list-style-type: none"> • develop/implement a refreshed Procurement Strategy and Policy • develop and deploy the electronic Contract Management Systems (eCMS) • refresh contract management skills within the new Model 	<p>August 2018</p> <p>Jan 2019</p> <p>Aug – Dec 2018</p>	<p>Work on this was rescheduled to link to the Transformation Programme work schedule:</p> <ul style="list-style-type: none"> • Provision Strategy – the new operating model identified through the transformation programme will inform a new strategy for the council which is anticipated to span the entire cycle including strategic commissioning, procurement and contract management. A new strategy is expected to be developed by September 19 which will then be subject to appropriate approval steps. Target completion date – Quarter 3, 2019. • Electronic Contract Management System (ECMS) – Usage of the eCMS to date has been fragmented across the council. A core aim of the Provision Cycle will be identify a consistent approach across the full cycle and thus will include the development of a consistent, corporate approach to contract management. To support this our systems will be assessed and developed to meet the future needs of the new approach. The eCMS system is expected to meet the future contract management requirements but its full functionality is not fully understood or utilised. A workshop is planned with the provider better to understand the system’s capabilities and the appropriate changes required to meet the needs of the future operating model. As part of the anticipated roll out, a new communication plan and training will be provided. Target

Actions that were planned for 2018/19	Original Timescale	Outcome
		<p>completion date – Quarter 3, 2019.</p> <ul style="list-style-type: none"> • Contract Management Skills Development – In addition to the development of a new Provision Strategy covering contract management and the implementation of a new improved contract management system, a skills development will be required. This will take the form of formal training and skills/information exchange between stakeholders across the council. Target completion date – Quarter 3, 2019.

Action Plan for 2019/20

4. This is an Action Plan of specific governance priorities that the Council will address during 2019/20. We propose over the coming year to take steps to address the following matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

	Action now planned for 2019/20	Timescale for Completion	Responsible Officer	Monitoring Body
1	<p>Property and Security</p> <p>Deliver on the remaining outcomes of the property audit (health and safety), which established the compliance position, post-Carillion.</p> <p>Meet the Key Performance Indicators that have has been put in place to address all the main compliance areas,</p> <p>Establish greater integration between the property and corporate security functions, at managerial and project level.</p>	<p>April/May 2019</p> <p>Through to March 2020</p> <p>Through to March 2020</p>	<p>Assistant Director Community Facilities Management</p>	<p>Chief Executive Direct Reports</p>

	Action now planned for 2019/20	Timescale for Completion	Responsible Officer	Monitoring Body
2	<p>Business Continuity</p> <p>Embed sound business continuity framework across the Council to monitor awareness and compliance. In particular to:</p> <ul style="list-style-type: none"> - increase the evidence base for Business Continuity Plans - achieve a documented business continuity testing strategy/plan - implement a testing exercise plan and programme - identify training needs across the council based on the evidence of testing and plan quality 	<p>March 2020</p> <p>May 2019 – May 2020</p> <p>May 2019</p> <p>May 2019</p>	<p>Assistant Chief Fire Officer - Strategic Lead for Safeguarding and Collaboration</p>	<p>Business Continuity Steering Group</p>

	Action now planned for 2019/20	Timescale for Completion	Responsible Officer	Monitoring Body
3.	<p>ICT and Digital</p> <p>Back Up of data reliability. The system which provides this function is aged and may fail.</p> <p>Replacement of Computer, Storage and backup datacentre provision is a primary action identified as part of the ICT Health Check.</p>	<p>Options and a recommendation expected to be presented to the organisation during April 2019.</p> <p>The re-provision of the Datacentre is expected to be complete in 2019-20</p>	Will Harper, Interim Head of ICT	TBC

	Action now planned for 2019/20	Timescale for Completion	Responsible Officer	Monitoring Body
4	<p>Procurement</p> <p>Atamis eCMS Contract Management system is neither fully developed nor fully deployed across the Council.</p> <p>The electronic Contract and Supplier Management System (eCMS) will be reviewed as part of the Provision Cycle transformation programme with the expectation to develop and implement a system that will provide management and controls across the full cycle of Commissioning, Procurement and Contract Management.</p> <p>This will enable a consistent, council-wide approach enabling 100% visibility of requirements</p>	<p>The development will be iterative and ongoing but target to implement by Dec 19</p>	<p>Head of Procurement & Contract Management</p>	<p>TBC</p>

REVIEWING OUR EFFECTIVENESS

1. We have reviewed our overall effectiveness. Key points are that we have made progress on implementing our Action Plan for 2018/19.
2. . In overview, our formal decision taking processes remain clear;
 - i. Key management roles have continued to be defined and to operate as part of the council's leadership team - Head of Paid Service, Chief Finance Officer, Monitoring Officer and Chief Internal Auditor, even during times of change (such as the partnership with Cherwell District Council, mentioned below)
 - ii. The council operates within a budget that included a modest council tax increase and delivers year on year savings despite significant financial pressures.
 - iii. Financial management systems and processes are subject to regular review and actions taken where areas for improvement are identified to ensure good value for money is achieved.
 - iv. We monitored key governance issues through a system of Corporate Lead Officers reporting into a Corporate Governance Assurance Group of senior officers and to the council's Audit & Governance Committee,
 - v. Through the governance assurance framework, issues and unacceptable risk exposures are being highlighted with action plans devised and implementation monitored on a timely basis. This will ensure that the level of risk is returned to acceptable levels as soon as possible.
3. The effectiveness of the Council's governance has been further demonstrated by the Council's active project-planning to meet in-year governance issues. For instance, clear governance has been essential to the following notable matters in 2018/19.

Partnership with Cherwell District Council ('Section 113 Agreement')

4. During the year the Council formally entered into a partnership arrangement with Cherwell District Council. A 'Section 113 Agreement' (under the Local Government Act 1972) was entered into to define the purpose and governance of the arrangement. A Section 113 Agreement effectively expresses each Council's willingness to put its staff at the disposal of the other for certain agreed purposes.
5. This Agreement and the suite of governance policies to which it gave rise, were endorsed by this Council's Audit and Governance Committee and Full Council. The Partnership appointed a shared Chief Executive, Yvonne Rees, and joint Monitoring Officer, Nick Graham. It expressed an ambition to achieve a Joint Management Team. Certain other joint appointments have been made.
6. The suite of governance arrangements to deliver and support these arrangements included:
 - A Chief Executive's Protocol
 - Protocol on managing interests
 - Ethical walls procedure

7. A Partnership Working Group of members of both councils was set up under the S113 Agreement to make recommendations to the respective authorities on the areas of potential joint working. A Joint Shared Services and Personnel Committee was also set up to take forward any employment-related issues. Terms of reference of each body was agreed by the Audit & Governance Committee and Full Council.
8. The governance arrangements are working well so far in facilitating the project (in terms of the first appointments and implementation of the first sharing of services). The arrangements also have the balance of member and officer involvement. The Audit & Governance Committee intend to review the governance arrangements at its meeting on 8 May 2019.

CONCLUSION

The Council's governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework

Transformation

9. The Council's Transformation Programme (no longer called Fit for the Future) was established gradually during the second half of 2018/19 following approval of a Business Case in September 2018. Governance arrangements have been put in place at both a member and project level. Member bodies include a Joint Audit & Governance and Performance Scrutiny (Transformation) Sub-Committee; and a Transformation Cabinet Advisory Group. A Transformation Programme Board has been established to co-ordinate the overall programme of work, supported by three thematic workstream groups.

Peer Review

10. The Council commissioned a corporate Peer Review from the Local Government Association which was led, in March 2019, by experienced cross-party range of councillors and senior local government officers. This was the Council's first corporate (whole Council) peer review. 'Leadership and governance' was one of the five key corporate areas considered by the review.
11. As regards governance, feedback from the peers highlighted that the new Chief Executive was viewed positively as a change agent; that there were strengths in senior management, that bold leadership (e.g. with the Cherwell partnership) was taking place; and that there were good member/officer relationships and a strong and valued scrutiny function. Opportunities still remained for establishing a stable senior management structure and for using non-Cabinet councillors more fully through the scrutiny function and indeed their role as community leaders in developing locality working.

Horton Health Overview and Scrutiny Committee

12. In response to the Oxfordshire Clinical Commissioning Group's proposals regarding consultant-led maternity services at the Horton General Hospital, the Secretary of State and Independent Reconfiguration Panel (IRP) advised that a new overview and scrutiny committee be formed covering the area of patient flow for these services. The area of patient flow for obstetric services at the Horton General Hospital covers Oxfordshire, Northamptonshire and Warwickshire. Therefore, the County Councils of Oxfordshire, Northamptonshire and Warwickshire formed the statutory joint Horton Health Overview and Scrutiny Committee. It has been chaired since it commenced by an Oxfordshire County Councillor. The Committee's duration is expected to last only as long as necessary for this specific matter above to be considered. Responsibility for all other health scrutiny functions and activities remain with the respective local authority Health Scrutiny Committees. The Council therefore complied effectively and in a timely fashion with the statutory requirement and is delivering sound governance arrangements

County Council By-elections

13. During the late summer and early Autumn of 2018, three county councillors resigned their positions due to personal circumstances. Three by-elections were therefore held in October and November (in the divisions of Iffley Fields & St Marys, Grove & Wantage and Wheatley). Each of the by-elections were successfully held and were compliant with electoral legislation and Electoral Commission guidance to Returning Officers. Deputy Returning Officers were appointed in the three district councils concerned to assist in the delivery of the polls and the counts. Three new County Councillors were duly elected and bespoke induction sessions were held. The electoral governance was therefore sound.

Governance Review Task Group on involving councillors

14. The cross-party group of County Councillors met during 2018/19 to work up proposals for Cabinet on ways in which constituency councillors (particularly those not on the Council's executive) could be further informed about and involved in the Council's policy formulation and decision making. A survey and a whole council workshop were arranged, and the Group conducted visits to a range of authorities operating differing decision-making structures. A report was produced, considered by Cabinet. It was determined that with the Council undertaking a Transformation programme it made sense to review the Group's recommendations when that programme was further advanced. The Peer Review (above) also reflected that further emphasis should be given to developing a closer integration of members and their locality perspective.

Independent Remuneration Panel on Members' Allowances

15. The Council convened its Independent Remuneration Panel during the last quarter of 2018/19 to gain recommendations from it regarding three specific matters, two about special responsibility allowances and one regarding the

application of an index for uprating members' allowances. The Panel met and considered the issues in line relevant regulations and comparative evidence. Council was then able to receive the recommendations and decide upon them at its meeting in April 2019. The Remuneration Panel processes were therefore sound and compliant with Regulations,

General Data Protection Regulations

16. The General Data Protection Regulations came into force during the year and the Council's advance planning and project management, informed by the Information Commissioner's guidance, has ensured effective compliance through the transition. All related policies and asset registers were updated. A mandatory e-learning course for staff, along with briefing sessions for staff and councillors also increased awareness as evidenced through an increase in risk assessments and queries.

Property and Security

17. During the year the Council has made progress to achieving full statutory compliance as regards health and safety, across the corporate property estate, particularly since the ending of the Carillion contract. Audits established the compliance position, post-Carillion, identified gaps and full set of Key Performance Indicators has been put in place to address all the main compliance areas. The updated priority action of 2018/19 sets out some of the detail. However, the Corporate Governance Assurance Group is of the view that this area of work should continue to have the visibility and emphasis of inclusion in the priority Actions for 2019/20, as on page 12 above.

18. There are of course links with the Council's work on ensuring corporate security of the Council's estate. In that regard a settled senior management lead for corporate security (Assistant Director for Facilities Management) and project lead (Senior Area Facilities Manager) have been achieved to drive improvements. This is also reflected under the priority Action for 2019/20 as on page 12 to ensure visibility of this workstream as it is embedded.

Measuring and Managing Service Performance

19. Oxfordshire County Council has used a performance management framework, centred on quarterly reporting and an exception-based escalation of issues. Priorities are identified in the Corporate Plan and related performance indicators are agreed with directorates, as part of the service and resource planning process. Progress is reported by the use of dashboards with Red, Amber or Green (RAG) ratings.

20. Accountability for performance runs from the individual to corporate level through directorate leadership teams and then on to the Council's senior management group – Chief Executive Direct Reports (CEDR) Public reports are made to Performance Scrutiny Committee and Cabinet. Performance Scrutiny Committee met 7 times in 2018/19 to consider performance across the Council focusing on a directorate in detail at each meeting. The Committee can call for additional

reports from directors and examine issues in detail to ensure that improvements are made. The Committee also challenges proposed indicators and targets to ensure they are realistic and in line with strategic priorities.

Compliance, Risks and Complaints & Whistleblowing

Compliance

21. Oxfordshire County Council has used a range of measures to ensure compliance with established policies, procedures, laws and regulations including:

- Notification of changes in the law, regulations and practice to directorates by Legal Officers;
- Induction training for officers and managers on key governance responsibilities
- Specific training carried out by Legal Officers and external experts;
- The drawing up and circulation of guidance and advice on key procedures, policies and practices;
- Proactive monitoring of compliance by relevant key officers including the Chief Finance Officer, the Monitoring Officer and the Chief Internal Auditor;
- 'Protocol for Implementing New Legislation' ensures that there are Directorate Leads who have a specific obligation to ensure appropriate dissemination of legal, policy and professional information within their Directorates.

22. Guidance and advice on all our key policies and procedures are reviewed and updated on an ongoing basis. All policies and guidance have been given visibility on the Intranet within the Corporate Governance Library as well as separate pages for Human Resources and Finance, Budgets and Procurement and news items

23. Compliance with our policies was monitored by the relevant corporate lead officers. Their assessment was incorporated in the year end 'Certificate of assurance' signed off by each corporate lead officer.

24. Under Section 5 of the Local Government and Housing Act 1989, the Monitoring Officer is required to report to the County Council where, in his opinion, a proposal, decision or omission by the County Council, its Members or Officers is or is likely to be unlawful and also to report on any investigation by the Local Government Ombudsman. No such reports have been necessary in 2018/19.

25. The Monitoring Officer provides an report annually to the Audit & Governance Committee on his view on the Council's governance arrangements. This review was formally reported to, and endorsed by, the Audit & Governance Committee in September 2018.

Risks

26. Oxfordshire County Council has a Risk Management Strategy which aims to ensure that there is continuous improvement in the arrangements for managing risk across all directorates. The Chief Finance Officer was the CEDR Risk Champion during 2018/19.
27. Oxfordshire County Council has in place a process for identifying, assessing, managing and reviewing the key areas of risk that could impact on the achievement of County Council's objectives and service priorities. Reports to committees to support key policy decisions or major projects include an assessment of both opportunities and risks.
28. A strategic risk register is in place that is owned and reviewed by CEDR. In most parts of the Council risk registers were owned at directorate level and reviewed by each Director with their management teams on a quarterly basis. Additional risk registers were also held and managed at service, team or project level according to business needs. An escalation process is in place to report significant service risks upwards as necessary, including up to CEDR as part of the quarterly performance reporting process and separately to the Audit Working Group. The Strategic Risk Register has been established in 2018/19 and each risk is owned by a member of CEDR. CEDR has begun reviewing the risk register quarterly.
29. Risk Management in projects is required in our Corporate Project Management Framework. It includes the requirement for risk registers to be maintained as part of the project management process.

Complaints & Whistleblowing

30. Oxfordshire County Council has continued to operate formal complaints and whistleblowing procedures which has allowed staff, service users, contractors, suppliers and the public to confidentially raise concerns about any aspect of service provision or the conduct of staff, elected councillors or other people acting on behalf of the Council.
31. An annual review of reports and incidents of whistleblowing was undertaken by the Monitoring Officer and reported to the Audit & Governance Committee via the report of the Audit Working Group.

Internal audit

32. In 2010 CIPFA issued a Statement on the "Role of the Head of Internal Audit in public service organisations". This outlines the principles that define the core activities and behaviours that belong to the role of the 'Head of Internal Audit' and the governance requirements needed to support them. The Council's arrangements conform with the governance requirements of the CIPFA statement as our Chief Internal Auditor:

- Objectively assesses the adequacy of governance and management of existing risks, commenting on responses to emerging risks and proposed developments;
 - Gives an objective and evidence-based opinion on all aspects of governance, risk management and internal control;
 - Is a Senior Manager with regular and open engagement across the organisation, including the Council's Leadership Team (CEDR – Chief Executive Direct Reports) and the Audit & Governance Committee; and
 - Leads and directs an internal audit service that is resourced to be fit for purpose; and is professionally qualified and suitably experienced.
33. The Monitoring Officer sought feedback on the quality and effectiveness of the Internal Audit Service from Senior Managers across the council, reporting back to the Audit and Governance Committee. The conclusion from the survey was that management find the internal audit service effective in fulfilling its role.
34. The Internal Audit Service operates in accordance with the Public Sector Internal Audit Standards (PSIAS). The annual self-assessment against the standards is completed on an annual basis. It is a requirement of the PSIAS for an external assessment of internal audit to be completed at least every five years. This took place in November 2017 and the results were reported to the Audit & Governance Committee in January 2018. This confirmed that the “service is highly regarded within the Council and provides useful assurance on its underlying systems and processes”.
35. The Chief Internal Auditor prepared an Annual Report on the work of Internal Audit which concludes for the 12 months ended 31 March 2019, there is **satisfactory** assurance regarding Oxfordshire County Council's overall control environment and the arrangements for governance, risk management and control. Where weaknesses have been identified through internal audit review, they have worked with management to agree appropriate corrective action and timescale for improvement.
36. As part of governance arrangements developed when Oxfordshire County Council joined the Hampshire Partnership in July 2015 it was agreed that the Southern Internal Audit Partnership, (SIAP), would provide an annual assurance statement to Oxfordshire County Council on the adequacy and effectiveness of the framework of governance, risk management and control from the work carried out by Hampshire. The Chief Internal Auditor takes account of the assurance obtained from SIAP, when forming the overall assurance opinion. For 2018/19 the statement of assurance report received from SIAP concluded that the framework of governance, risk management and management control is 'Adequate' and audit testing has demonstrated controls to be working in practice.
37. Where Internal Audit identifies areas for improvement, management action plans are in place and are routinely monitored by the Internal Audit team and the Audit Working Group. Managers are required to provide positive assurance that actions have been implemented; performance on implementation is high, demonstrating that control weaknesses identified by Internal Audit are being addressed on a timely basis.

Checking the Effectiveness of our Governance

38. Oxfordshire County Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness has been informed by the work of the senior managers within the County Council who have responsibility for the development and maintenance of the governance environment, the Chief Internal Auditor's annual report, whistleblowing reports and comments made by the external auditors and other review agencies and inspectorates. A report on the effectiveness of Internal Audit was received and endorsed by the Audit & Governance Committee in March 2019.

Audit & Governance Committee

39. The Chairman of our Audit & Governance Committee produced an Annual Report to Council. The Annual Report also covers the work of the Audit Working Group. This group has met regularly throughout the year and reviewed specific areas of governance, risk and control, reporting any significant issues identified to the Committee. The Chairman's report for 2018/19 is scheduled for consideration by Full Council in May 2019.

Scrutiny Committees

40. Oxfordshire County Council has four scrutiny committees. They cover the following areas:

- Education;
- Performance;
- Joint Health Overview including district council and co-opted lay members
- Joint Horton Health Overview and Scrutiny Committee with members from Oxfordshire, Northamptonshire and Warwickshire County Councils

41. The good governance of the council has been further enhanced by the work of the Cabinet Advisory Groups. These groups can be set up to examine topics selected by Cabinet which align to corporate council priorities.

42. CIPFA guidance indicated that Audit Committees '*should have clear reporting lines and rights of access to.... for example scrutiny committees*'. The Chairman of the Performance Scrutiny Committee has had a standing invitation to attend our Audit & Governance Committee to provide advice in relation to the work of the Scrutiny Committees. Similarly, the Chairman of Audit & Governance Committee has a reciprocal standing invitation to attend the meetings of the Performance Scrutiny Committee. An annual report on the key achievements of all Scrutiny Committees is considered by our Audit & Governance Committee in draft and submitted for agreement by Council. Full Council considered the annual report of scrutiny committees in May 2017. Scrutiny and Audit Committee Chairmen meet regularly to coordinate their work and forward plans.

Corporate Governance Assurance Group (CGAG)

43. This Group has monitored the corporate governance framework. It reviewed the Annual Governance Statement action plan, as well as monitoring and challenging the assurance framework owned by designated Corporate Leads. The Group has been reconstituted to comprise only the Council's most senior governance officers with a view to liaising with governance contacts/leads within services. The Group continues to identify, challenge and track improvements to any weaknesses in the internal control environment. It has primary responsibility for collating all of the evidence and producing the first draft of the Annual Governance Statement.

Key Deliverables

44. Updates on projects are reported quarterly, with information reported through existing quarterly business management (performance/risk/projects) reporting procedures. The forecast financial position is reported monthly to Leadership Teams and through the regular Financial Monitoring and Business Strategy Delivery Reports to Cabinet which are considered by the County Leadership Team (CLT).

45. Further to these monitoring arrangements, the Chief Finance Officer and the meets with senior managers. They review the delivery of budget savings, check progress on the delivery of projects and ensure that support is targeted to projects as necessary. The policy and finance teams work with service areas to monitor delivery of agreed savings and escalate issues for consideration to the Council's Extended Leadership Team as required.

Other external reviews

46. Oxfordshire County Council receives external reports and inspections from a range of sources that can provide assurance or indicate any issues related to internal control and governance. These are generally ad-hoc and are reported to CGAG so that governance issues can be reported to Audit & Governance Committee. However, following a steer from the Audit & Governance Committee, a centralised record is made of the governance requirements or recommendations arising from external reports so that these can be co-ordinated and reported to the Committee. For completeness Directors are also asked to set out feedback from external reviews in their annual Statement of Assurance.

ANNEX

SUMMARY OF OUR GOVERNANCE FRAMEWORK

A vision for Oxfordshire

1. Oxfordshire County Council's ambition, as set out in the updated [2019-2022 Corporate Plan, is for](#) a county where local residents and businesses can flourish - a thriving Oxfordshire.

Equalities

2. Oxfordshire County Council is committed to making Oxfordshire a fair and equal place in which to live, work and visit. We want our services to effectively meet the needs of all local residents, including those in rural areas and areas of deprivation. The Council has an Equalities Policy and we aim to ensure that our staff are equipped with the knowledge and skills to meet the diverse needs of customers, that our services are accessible, and to encourage supportive and cohesive communities through our service delivery. A public consultation has been held to inform the review of the Equalities Policy and to inform the Equalities Policy 2018-2022.

Consultation and Communication

3. The council ensures it meets its statutory consultation duty by using a consistent approach to consulting service users and other stakeholders about proposed service change.
4. We also have well established consultation and involvement arrangements to specifically engage the community and its staff. There is a council-wide Consultation & Involvement Strategy, a research governance framework covering consultation, evaluation and research with adult social care customers and a dedicated engagement team working with children and young people and vulnerable adults.

Decision making structures

5. Oxfordshire County Council's Constitution sets out the roles of and relationships between the full Council, the Cabinet, Scrutiny and other Committees in the budget setting and policy and decision-making processes. It notes the legal requirements. The County Council's Corporate Plan supplements our Policy Framework. These formal policies are approved by full Council in accordance with the provisions of Oxfordshire County Council's Constitution.
6. The Constitution also sets out a scheme of delegation. The Chief Finance Officer approves the financial scheme and the Monitoring Officer approves the decision-making scheme. The Constitution also records what responsibility

each Oxfordshire County Council body or individual delegate (councillor or officer) has for particular types of decisions or areas or functions. The Constitution requires that all decisions taken by or on behalf of the County Council are made in accordance with given principles.

7. The Constitution also sets out how the public can take part in the decision-making process. The Cabinet's Forward Plan alerts the public to what business the Cabinet will be undertaking to give members of the public the right to make representations before a decision is taken. Some of the responsibilities of the County Council committees require statutory consultation to precede a decision being taken.
8. The Constitution is reviewed annually by the Monitoring Officer with recommendations of changes being made to Full Council for consideration and adoption.
9. Oxfordshire County Council has an Audit & Governance Committee which operates in accordance with the CIPFA guidance 2013 and normally meets six times a year. The County Council also operates an Audit Working Group, made up of members of the Committee and Senior Officers, chaired by a co-opted member of the Audit & Governance Committee. The Audit Working Group looks in detail at specific areas of governance, risk or control under the direction of the Audit & Governance Committee.
10. The Monitoring Officer monitors and reviews the operation of the Constitution to ensure that its aims, principles and requirements are given full effect and makes recommendations on any necessary amendments to it to Full Council.

Senior Management

11. The Chief Executive (as Head of Paid Service) is responsible for co-ordinating the different functions of the council, staff appointment, organisation, management, numbers and grades. Additional responsibilities are set out in the Constitution include supporting councillors and the democratic process, overall corporate management and promoting our objectives, performance management, strategic partnership, the community strategy, media and communications.
12. Our Chief Finance Officer holds the statutory role of 'Chief Financial Officer' within the Council. Our Chief Finance Officer is professionally qualified and suitably experienced.
13. The Financial Procedure Rules are part of the Constitution and are published on the Council's website. These 'Rules' and the supporting Financial Regulations are reviewed by the Chief Finance Officer. Schemes of Financial Delegation and Delegation of Powers are reviewed and updated each year.
14. Oxfordshire has a Director of Law and Governance who is also the Monitoring Officer. His role, in summary, includes meeting all legal requirements, ensuring effective administration and compliance with statutory responsibilities around the councillors' code of conduct and the ethical standards of officers.

Controls on Information, Projects and ICT

15. The Council has a Data Protection Group comprising the key statutory information governance leads. Reporting into this is an Information Governance Group which reviews and implements corporate policies, including the new Information Governance Policy, the Data Sharing Policy and new tools and methods of work evaluated by ICT Business Delivery to improve the security of data transfer.
16. Oxfordshire County Council requires projects to be managed using their Project Management Framework which gives a comprehensive structure, standard paperwork and defined processes. Progress of Major Programmes is reported to DLTs and to the Delivery Board, and the Chief Executive.

Codes of Conduct

17. Oxfordshire County Council has developed and adopted separate Codes of Conduct for Councillors and Officers; both Codes define the standards of behaviour expected by the County Council and the duty owed to the public. Training on the requirements of the codes is provided by the Council's Monitoring Officer for both Councillors and Officers. Both codes form part of the County Council's Constitution and are readily accessible via the council's Internet and Intranet websites.
18. Each Council must adopt a local Code of Conduct and have arrangements in place to investigate complaints made against Members. Our Council has agreed to include standards within the terms of reference of the Audit & Governance Committee.
19. During 2018-2019, the Council's Audit & Governance Committee engaged with the consultation from the Committee on Standards in Public Life on *Ethical Standards in Local Government* and the outcomes of that report were considered by the Council's Committee with a view to implementing appropriate actions. The Monitoring Officers of Oxfordshire's County and District Councils met regularly throughout the year and the sharing of best practice as regards ethical standards is part of this Group's remit.

WORKING WITH OTHERS

Schools

20. Section 48 of the Schools Standards and Framework Act 1998 requires the authority to prepare a scheme setting out the financial framework for local authority-maintained schools, known as the Scheme for Financing Schools.
21. It is the responsibility of each school's governing body to set down and oversee proper governance arrangements for the school. The governing body in maintained schools is accountable to the local authority for the way the school is run.

22. Academies are legally separate entities and therefore their effective governance does not fall within the control or responsibilities of the County Council. The County Council retains responsibilities including ensuring that special educational needs are met, safeguarding, and that the free entitlement to early year's education is provided by academies where applicable.

Partnerships

23. Oxfordshire County Council works together with other bodies and organisations, in a number of different partnerships governed by specific terms of reference. Overall accountability for partnership working rests with Council which is responsible for examining formal and informal feedback mechanisms. Each partnership presents an annual report and a yearly summary of the work of the partnerships set out below is discussed at the September meeting of the County Council. This is also considered by Performance Scrutiny Committee.

24. During 2018/19, the Council specifically entered into a formal partnership with Cherwell District Council. This is referenced in the Council's Annual Governance Statement.

25. The key partnerships that Oxfordshire County Council is part of and plays a formal role in are:

- Cherwell-Oxfordshire Partnership
- Oxfordshire Partnership
- Oxfordshire Local Enterprise Partnership (OxLEP)
- Oxfordshire Skills Board
- Oxfordshire Growth Board
- Oxfordshire Local Transport Board.
- Oxfordshire Safeguarding Children Board (OSCB),
- Oxfordshire Safeguarding Adults Board
 - Oxfordshire Health and Wellbeing Board Oxfordshire Stronger Communities Alliance Oxfordshire Safer Communities Partnership

Overview of Corporate Governance Assurance Framework

